

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF ILLINOIS
EAST ST. LOUIS DIVISION**

In re:)
)
)
STREBOR SPECIALTIES, LLC,) Case Number: 20-30262
) Chapter 11
)
Debtor.)
)

**UNITED STATES TRUSTEE'S MOTION TO DISMISS OR CONVERT CASE TO
CHAPTER 7 FOR FAILURE TO FILE MONTHLY OPERATING REPORTS**

NANCY J. GARGULA, United States Trustee for Region 10 (“U.S. Trustee”), by and through her attorney, Mark D. Skaggs, and in support of the United States Trustee’s Motion to Dismiss or Convert Case to Chapter 7 for Failure to File Monthly Operating Reports, states as follows:

1. The U.S. Trustee is charged with the duty of supervising the administration of Chapter 11 cases. 28 U.S.C. § 586(a)(3).
2. A Debtor-in-possession has the duty to furnish information to and cooperate with the U.S. Trustee. 11 U.S.C. § 704(7) and (8), as incorporated by 11 U.S.C. § 1106(a)(1) and § 1107(a) and as specifically provided for in 11 U.S.C. § 1112(b)(4)(H).
3. Under § 1112(b), a bankruptcy court is authorized to convert a Chapter 11 case to a Chapter 7 case or to dismiss it, whichever is in the best interest of creditors and the estate, for “cause.” 11 U.S.C. § 1112(b). The statute contains a non-exhaustive list of sixteen grounds that may constitute cause for conversion or dismissal. 11 U.S.C. § 1112(b)(4)(A-P). Generally, proof of any one of these factors is sufficient to justify conversion.
4. Included in this non-exhaustive list is the specific provision that failure of the Debtor to file monthly operating reports with the U.S. Trustee constitutes cause for conversion or

dismissal. 11 U.S.C. § 1112(b)(4)(H).

5. The U.S. Trustee imposes certain operating requirements upon a Chapter 11 Debtor in carrying out its duty of supervising the administration of Chapter 11 cases. The U.S. Trustee requires that Chapter 11 Debtors provide the U.S. Trustee with certain information, documents and payments. The above-captioned Debtor has failed to comply with the U.S. Trustee's operating requirements. Specific shortcomings include the following:

- A. Monthly Operating Reports are missing for the months of March, April, May, June, and July, 2020. The August 2020 report will be due by the 15th of September, 2020.

6. Although Debtor is current with the payment of the U.S. Trustee quarterly fees, given the complete absence of any monthly operating reports as spelled out above, Debtor has only been billed the minimum amount of fees. When reports are ultimately filed, it is believed that additional sums will be due for the U.S. Trustee quarterly fees.

WHEREFORE, the U.S. Trustee requests that the Court enter an Order dismissing the case of converting this case to a proceeding under Chapter 7, and for such other and further relief as this Court may deem appropriate.

Dated: September 9, 2020

Respectfully submitted,

NANCY J. GARGULA
United States Trustee

/s/ Mark D. Skaggs

Mark D. Skaggs
Attorney for U.S. Trustee

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing **UNITED STATES TRUSTEE'S MOTION TO DISMISS OR CONVERT CASE TO CHAPTER 7 FOR FAILURE TO FILE MONTHLY OPERATING REPORTS** will be served electronically through the CM/ECF system upon the following:

- Robert E Eggmann ree@carmodymacdonald.com,
ala@carmodymacdonald.com; syd@carmodymacdonald.com
- Joel A Kunin jkunin@ghalaw.com, megan@ghalaw.com
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- Deborah J Volmert debbievolmert@hanna-and-volmert.com
- Steven M Wallace steve@silverlakelaw.com, denise@silverlakelaw.com

A paper copy was served upon the following entity by enclosing same in an envelope addressed to such entity at the address indicated:

Strebor Specialists, LLC
PO Box 62
Dupo, IL 62239

Judy Hamilton
220 Edgewater Ct
Marco Island, FL 34145

with postage fully prepaid and deposited in the United States Postal Service mailbox in Peoria, Illinois, on September 9, 2020.

/s/ Mark D. Skaggs

Mark D. Skaggs
Attorney for U.S. Trustee

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